

DPD-0750-60

#467

REPLY TO:
Auditor General
Comptroller, USAF
Eastern District
Liaison Office
P.O. Box 8155 S.W. Station
Washington, D. C.

27 January 1960

SUBJECT: Report of Interim Audit
Edgerton, Germeshausen & Grier, Inc.
Boston, Massachusetts
Contract No. TE-2191
Period: 1 May 1957 through 30 June 1959

TO : Contracting Officer

REF : DPD-3279-59 dated 15 May 1959

1. As requested in reference, an audit of costs incurred under the subject contract has been performed for the period from 1 May 1957 through 30 June 1959. The results are set forth in Exhibit A.

2. Inasmuch as the preponderance of prime costs were incurred in [] an audit was performed there and the results were submitted in our audit report #554 dated 23 October 1959. Findings developed in that assist audit are incorporated in this report.

3. The provisionally approved total of [] includes [] of burden and general and administrative expenses representing application of the contractor's billing rates for the fiscal years 1958 and 1959. The indirect expenses for fiscal year 1958 have been audited by the cognizant audit agency, but rates applicable to Government contracts have not as yet been agreed upon. Audit has not as yet been undertaken for the fiscal year 1959.

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4. The amount of [redacted] set forth in Exhibit A for non-acceptance, represents an exception taken by the auditor to overtime premium pay together with the related general and administrative expense. No approval for such cost appears in the contract, nor was there any data available to indicate its authorization by the Contracting Officer.

W. F. Edwards

W.F. Edwards
Audit Liaison Officer
Auditor General
Eastern District

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